Solution 9.1

(a)

ST KITTS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 28 FEBRUARY20X7

		Notes	20X7 C
Revenue			12 000 000
Cost of sales	(7 100 000 + 80 000)		(7 180 000)
Operating expenses	(3 480 000 + 120 000)		(3 600 000)
Finance costs			(240 000)
Profit before tax		4	980 000
Income tax expense	(W2)	5	(284 200)
Profit for the period			695 800
Other comprehensive income			
Revaluation surplus			800 000
Total comprehensive income			1 495 800

(b)

ST KITTS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 28 FEBRUARY 20X7

	Ordinary share capital C	Share premium C	NDR C	Retained earnings C	Total C
Balance at 01/03/X6	2 500 000	-	-	1 424 200	3 924 200
Total comprehensive income			800 000	695 800	1 495 800
Issue of share capital	500 000	1 500 000			2 000 000
Share issue expenses		(150 000)			(150 000)
Balance at 28/02/X7	3 000 000	1 350 000	800 000	2 120 000	7 270 000

(c)

ST KITTS LIMITED
(EXTRACT FROM) STATEMENT OF FINANCIAL POSITION AT 28 FEBRUARY 20X7

		Note	C
ASSETS			
Current assets			
Inventories			1 720 000
Trade and other receivables	(980 000 + 15 000)		925 000
Cash and cash equivalents			2 059 200
			4 779 200
EQUITY AND LIABILITIES			
Current liabilities			
Borrowings			2 000 000
Trade and other payables	(400 000 + 20 000)		420 000
Current tax payable	(284 200 – 200 000)		84 200
			2 504 200

(d)

ST KITTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 20X7

1. Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprises of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 198, provisions of and directives issued under the Companies Ordinance, 1984. In case the requirements differ, the provision of the Companies Ordinance, 1984 shall prevail.

2. Accounting policies

2.1 Basis of preparation

The financial statements have been prepared using the historic cost basis, except for the revaluation of certain property, plant and equipment.

3 Share capital

Authorised		**C**
10 000 000 ordinary shares of C0.50 each		
Issued		
6 000 000 ordinary shares of C0.50 each		3 000 000

Reconciliation of quantity of shares		**Qty**
Balance 1/3/X6		5 000 000
Issued during year		1 000 000
Balance 28/2/X7		6 000 000

4. Profit before tax

The profit before tax has been computed after taking into account the following:

Auditors remuneration		110 000
Depreciation of property, plant and equipment		210 000
Employee benefits expense		1 800 000
Write down of inventory to net realisable value	(1 800 000 - 1 700 000)	100 000

5. Income tax expense

Current normal tax		284 200
Income tax expense		284 200

Tax rate reconciliation:

Applicable tax rate		29%
Tax effects of		
Profit before tax	(980 000 X 0.29)	284 200
Income tax expense		284 200
Effective tax rate		29%

6. Dividends of C300 000 have been declared on 25 March 20X6 but have not been recognised as a distribution. The DPS amounts to C0.05 per share.

Solution 9.1 continued …

Workings

W1 Calculation of accounting / tax profit on sale of plant

	Accounting	Tax
Selling price	330 000	330 000
Carrying amount / tax base	(180 000)	(180 000)
	150 000	150 000

W2. Current tax computation

Profit before tax		980 000
Current tax payable	(960 000 X 0,29)	278 400

Solution 9.2

WORLD LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 20X2

		Note	20X2 C
Sales		2	84 986 750
Cost of sales			(24 602 000)
Gross profit			60 384 750
Income from subsidiaries	(1 150 000 + 900 000)	2/4	2 050 000
Other income			
Royalty income		2	175 000
Investment income		2	430 000
Administrative & selling expenses	(1 327 100 - 50 000)		(1 277 100)
Distribution expenses			(185 400)
Other operating expenses		3,6	(43 285 250)
Finance costs			(367 500)
Profit before tax			17 924 500
Income tax expense	(5 054 850 + 200 000 - 450 000)	5	(4 604 850)
Profit for the period			13 319 650
Other comprehensive income			-
Total comprehensive income			13 319 650

NOTES TO FINANCIAL STATEMENTS

1. Accounting policies

1.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprises of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 198, provisions of and directives issued under the Companies Ordinance, 1984. In case the requirements differ, the provision of the Companies Ordinance, 1984 shall prevail.

1.2 Basis or preparation

The financial statements have been prepared in the historical cost basis. These policies are consistent in all material respects with these applied in the previous years.

1.3 Revenue

Revenue is measured at the fair value of the consideration received or receivable net of VAT. Revenue consists of sales of goods, royalties, dividends and interest income.

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2. Revenue and other income	**C**
Sale of goods	84 986 750
Interest	430 000
Royalties	175 000
Dividend	1 150 000
	86 741 750

Solution 9.2 continued …

3. Operating expenses

The operating expenses are calculated after taking into account the following:

Audit fees		237 500
- For audit		212 000
- Consulting		12 500
- Other expenses		13 000
Depreciation	[2 405 000 + (250 000 * 0.15 * 8 / 12)]	2 430 000
Operating lease expenses		1 602 500
Staff costs	[300 000 + 26 934 000 + 2 178 720 (0,08x27 234 000) + 1 433 530 + 32 000 + 130 000]	31 008 250
Bad debts expense		975 000
Impairment of inventory		1 307 500

4. Income from subsidiaries

Dividends	1 150 000
Management fee	900 000
	2 050 000

5. Tax

Normal tax	
Current	4 754 250
Deferred	300 600
Overprovision in previous year	(450 000)
Income tax expense	4 604 850

Tax rate reconciliation

	C	%
Tax expense on profit / Applicable rate	5 377 350	30,00
Dividend income exempt	(345 000)	(1,92)
Donations disallowed	22 500	0,12
Overprovision in previous year	(450 000)	(2,51)
Income tax expense / Effective rate	4 604 850	25.69

Solution 9.2 continued …

Workings

Other operating expenses		
Audit fees		237 500
Bad debt expense		1 180 000
Depreciations expense	(2 405 000 + 25 000)	2 430 000
Donations		75 000
Impairment of inventory		1 307 500
Maintenance of industrial plant	(2 465 000 - 250 000)	2 215 000
Operating lease expenses		1 602 500
Salaries expense		34 237 750
		43 285 250

Tax computation		X.30	
Profit before tax	17 924 500		
Permanent differences			
Dividend income	(1 150 000)		
Donations	75 000		
	16 849 500	5 054 850	
Temporary differences	(1 002 000)	300 600	Dr TE Cr DT
Depreciation	2 430 000		
Tax allowance	(3 382 000)		
Prepaid expense	(50 000)		
Taxable income	15 847 500	4 754 250	Dr TE Cr CTP

Solution 9.3

a)

Deferred taxation calculation

	CA	TB	TD		Rate	DT
Balance at 01/04/X3			1 000		35%	350
Rate change					-5%	(50)
					30%	300
Rates prepaid	40	0	40	Taxable		
Royalties in advance	(10)	0	(10)	Deductible		
Manufacturing plant	2 000	1 050	950	Taxable		
Motor vehicles	1 000	1 200	(200)	Deductible		
Computer equipment	500	300	200	Taxable		
Furniture	500	230	270	Taxable		
Balance at 31/03/X4	4 030	2 780	1 250			375

b)

ELECTORAL LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 20X4

		Note	C'000s
Revenue from sales		2	7 500
Cost of sales	(7 500 - 2 000)		(5 500)
Gross profit			2 000
Other income	(1 500 + 120 + 12 + 140 + 110 + 35 + 5 000)	2	6 917
Distribution costs			(1 200)
Administration expenses			(1 000)
Other operating expenses	(2 807 + 25 - 40)		(2 792)
Finance costs			(250)
Profit before tax		3	3 675
Income tax expense		4	(1 057.5)
Profit for the period			2 616.5
Other comprehensive income			-
Total comprehensive income			2 617.5

NOTES TO THE FINANCIAL STATEMENTS AT 31 MARCH 20X4

2.	Revenue and other income		C'000s
	Sale of goods		7 500
	Services rendered		5 000
	Royalties received	(10 000 X 12)	120
	Interest received	[(100 000 X 0,12) + 140 000]	152
	Profit on sale of plant		110
	Dividends received		
	- listed	(300 000 X 0,05)	15
	- unlisted		20
	Rent received		1 500
			6 917
	Total revenue		14 417

Solution 9.3 continued …

3. **Profit before tax**	**C**
Profit before tax includes	
Rent received	1 500
Audit fees	272
- fees for audit	250
- expenses	12
- services	10
Depreciation	900
Operating lease payments	600
Staff costs	1 800
Profit on sale of plant	110

4. **Taxation**	**C**
Normal tax	
Current	1 032.5
- current year	1 027.5
- underprovision prior year	5
Deferred	25
- current year	75
- rate change	(50)
	1057.5

Tax rate reconciliation

	C	**%**
Tax on profits / Standard rate	1 102.50	30.00
Underprovision prior year	5.00	0.14
Donations	6.00	0.17
Legal fees	1.50	0.04
Traffic fines	3.00	0.08
Dividends received	(10.50)	(0.29)
Rate change	(50.00)	(1.37)
Per statement of comprehensive income / Effective rate	1 057.5	28.78

Solution 9.3 continued …

Workings

Calculation of current tax:

		X 0,30	
Accounting profit	3 675	1 102.5	
Accounting profit on sale of plant	(110)		
Tax gain on sale of plant	160		
Donations	20		
Legal fees	5		
Traffic fines	10		
Dividends received (Exempt)	(35)		
Depreciation	900		
Wear and tear	(1 165)		
Prepaid rates - 2003	25		
Prepaid rates - 2004	(40)		
Royalties in advance - 2003	(30)		
Royalties in advance - 2004	10		
Taxable income	3 425	1 027.5	Dr TE Cr CTP

Sale of plant

	Accounting	Tax
Selling price	360	360
CA / TB	250	200
Profit	110	160

Solution 9.4

a) Correcting journal entries

		Debit	Credit
Retained earnings		438 425	
Current tax payable		179 075	
Accounts receivable			617 500
Reversal of fraudulent sales and related commission			

Alternative entries 1

Retained earnings	(650 000 X 0.71)	461 500	
Current tax payable	(650 000 X 0.29)	188 500	
Accounts receivable			650 000
Reversal of fraudulent sales			
Accounts receivable	(650 000 X 0.05)	32 500	
Current tax payable	(32 500 X 0.29)		9 425
Retained earnings	(32 500 X 0.71)		23 075
Reversal of fraudulent commission			

Alternative entries 2

Retained earnings		106 500	
Current tax payable		43 500	
Accounts receivable			150 000
Reversal of fraudulent sales for 20X3 year			
Accounts receivable		7 500	
Current tax payable			2 175
Retained earnings			5 325
Reversal of fraudulent commission for 20X3 year			
Retained earnings		355 000	
Current tax payable		145 000	
Accounts receivable			500 000
Reversal of fraudulent sales for 20X4 year			
Accounts receivable		25 000	
Current tax payable			7 250
Retained earnings			17 750
Reversal of fraudulent commission for 20X4 year			
Amortisation		34 483	
Accumulated amortisation			34 483
Increased amortisation from change in estimate			
Deferred tax		10 000	
Tax expense			10 000
Tax effect of increased amortization			

Solution 9.4 continued …

b) Income statement and statement of changes in equity disclosure

MANGO LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 20X5

		20X5 C	Restated 20X4 C
Revenue	(20X4: 5 400 – 500)	7 200 000	4 900 000
Cost of sales		(3 600 000)	(2 160 000)
Gross profit		3 600 000	2 740 000
Other income		550 000	300 000
Other expenses	(20X5: 880 + 34.483) / (20X4: 760 – 25)	(914 483)	(735 000)
Profit before tax		3 235 517	2 305 000
Income tax expense	(20X5: 960 550 – 10 000) / (20X4: 808 950 – 137 750)	(950 550)	(671 200)
Profit for the period		2 284 967	1 633 800
Other comprehensive income		-	-
Total comprehensive income		2 284 967	1 633 800
EPS	(20X5: 2 249 217/600 000) (20X4: 1 613 550/540 000)	3.74	2.99

MANGO LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 20X5

	Ordinary share capital C	Share premium C	Preference share capital C	Retained earnings C	Total C
Balance at 01/01/20X4	400 000	200 000	350 000	477 907	1 427 907
As previously stated				579 082	579 082
Correction of error				(101 175)	(101 175)
Shares issued	100 000	100 000			200 000
Total comprehensive income as restated				1 633 800	1 633 800
Balance at 01/01/20X5	500 000	300 000	350 000	2 111 707	3 261 707
As previously stated				2 550 132	2 550 132
Correction of error				(438 425)	(438 425)
Capitalisation issue	100 000	(100 000)			
Profit for period				2 284 967	2 284 967
Dividends				(156 000)	(156 000)
- Ordinary				(100 000)	(100 000)
- Preference				(56 000)	(56 000)
Balance at 31/12/20X5	600 000	200 000	350 000	4 240 674	5 390 674

Solution 9.4 continued …

MANGO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 20X5

6. **Earnings per share**

The calculation of earnings per share is based on earnings of C 2 249 217 (20X4:C1 613 550) and on a weighted average of 600 000 (20X4:540 000) shares in issue after a capitalisation issue on 1 April 20X5. Comparatives have been restated.

Reconciliation of earnings:

		20X5		20X4	
		C	C	C	C
		Gross	Net	Gross	Net
Profit for period			2 284 967		1 633 800
Preference dividends	*(20X5: 20 000+18 000)*		(38 000)		(18 000)
Basic earnings			2 246 967		1 615 800

Workings

1. Fictitious sales

	20X3	20X4	Total	
Decrease in revenue	(150 000)	(500 000)	(650 000)	
Decrease in expenses (commission)	7 500	25 000	32 500	(5% X 650 000)
Decrease in profits/retained earnings	(142 500)	(475 000)	(617 500)	
Tax saving at 29%	41 325	137 750	179 075	
Net decrease	(101 175)	(337 250)	(438 425)	

Solution 9.4 continued …

2. Change in estimate

Was			CA	TB	TD	DT (29%)	
01/04/X2	Cost		750 000	750 000			
01/04/X2 - 31/12/X4	Accumulated depreciation / Tax allowance	(750 000 X ^33 / *180) ^(2yrs 9 mths) * (15 yrs) / (750 000 X 0.10 X 3)	(137 500)	(225 000)			
31/12/X4	Balance		612 500	525 000	87 500	25 375	DTL
01/01/X5 - 31/12/X5	Depreciation / tax allowance	(750 000 X 12 / 180) / (750 000 X 0.10)	(50 000)	(75 000)	25 000	7 250	Cr
			562 500	450 000	112 500	32 625	DTL

Is			CA	TB	TD	DT (29%)	
31/12/X4	Balance		612 500	525 000	87 500	25 375	DTL
01/01/X5 - 31/12/X5	Depreciation / tax allowance	(612 500 X 12 / *87) *(7yrs 3 mths) or (120 mths – 33 mths)	(84 483)	(75 000)	(9 483)	2 750	Dr
			528 017	450 000	78 017	22 625	DTL

Increase in depreciation	(84 483 – 50 000)	34 483
Change in temporary differences	(112 500 – 78 017)	34 483
Decrease in deferred tax liability	(32 625 – 22 625) or (Was: 7 250 Cr / Is: 2 750 Dr)	10 000

3. Weighted average number of shares

	Total	20X5	20X4
Opening balance	400 000	400 000	400 000
Fresh issue – 1 July 04	100 000		
(20X4:100 000 X 6/12)			50 000
(20X5: 100 000)		100 000	
	500 000	500 000	450 000
Capitalisation issue	100 000		
(20X4: 450/5 = 90)			90 000
(20X5: 500/5 = 100)		100 000	
Total	600 000	600 000	540 000

Solution 9.5

a)

Correcting journals: computer glitch		Debit	Credit
20X6			
Income from sale of widgets	*(900 000/ 90% x 10%)*	100 000	
Income from services rendered			100 000
Correction of error: service revenue recognised as sales revenue			
Royalties payable	*(100 000 x 2%)*	2 000	
Royalty expense			2 000
Decrease in royalties payable due to decrease in sales			
Tax expense	*(2 000 x 30%).*	600	
Current tax payable			600
Increase in tax payable due to decrease in royalty expense			

b)

	Interest at 17%	Instalments	Capital balance
1 July 20X4			662 876
30 June 20X5	112 689	(300 000)	475 565
30 June 20X6	80 846	(300 000)	256 411
30 June 20X7	43 590	(300 000)	1
	237 125	(900 000)	*Rounding error*

c)

	Interest at 7%	Instalments	Capital balance
1 July 20X4			787 295
30 June 20X5	55 111	(300 000)	542 406
30 June 20X6	37 968	(300 000)	280 374
30 June 20X7	19 626	(300 000)	0
	112 705	(900 000)	

d) (Working 1)

	Income type	@ 17%		@ 7%		Difference
20X4	sales	662 876		787 295		124 419
	interest	56 344	*(112 689 x 6/12)*	27 555	*(55 111 x 6/12)*	(28 789)
		719 220		814 850		95 630
20X5	interest	96 767	*(112 689 x 6/12 + 80 846 x 6/12)*	46 540	*(55 111 x 6/12 + 37 968 x 6/12)*	(50 227)
cumulative prior effect		815 988		861 390		45 403
20X6	interest	62 218	*(80 846 x 6/12 + 43 590 x 6/12)*	28 797	*(37 968 x 6/12 + 19 626 x 6/12)*	(33 421)
Cumulative effect		878 206		890 187		11 982
20X7	interest	21 795	*(43 590 x 6/12)*	9 813	*(19 626 x 6/12)*	(11982)
		900 001		900 000		0

Solution 9.5 continued . . .

Correcting journals: discount rate		Debit	Credit
1 January 20X6			
Debtors	*See Working 1*	45 403	
Deferred tax	*(45 403 x 30%)*		13 621
Retained earnings	*(45 403 – 13 621)*		31 782
Correction of error: effect on years prior to 20X6 owing to revenue measured using incorrect discount rate (17% instead of 7%)			
See Working 1			
31 December 20X6			
Deferred tax	*See above journal*	13 621	
Current tax payable			13 621
Deferred tax becomes current tax payable when adjustment processed in 20X6 tax return			
Prior year adjustment to deferred tax recognised as current tax payable:			
Interest income		33 421	
Debtors			33 421
Correction of error: effect on current year due to revenue measured using incorrect discount rate (17% instead of 7%)			
Interest income decreased (62 218 - 28 797) (see working 1)			
Current tax payable		10 026	
Tax expense			10 026
Correction of error: effect on current year due to revenue measured using incorrect discount rate (17% instead of 7%)			
Decrease in tax due to decrease in income (33 421 x 30%)			

Solution 9.5 continued . . .

If it had been possible to process entries in the prior years journals, the journal dated 1 January 20X6 above would have been replaced as follows:

Correcting journals: discount rate		**Debit**	**Credit**
31 December 20X4			
Interest income	*(56 344 – 27 555)*	28 789	
Debtors	*(balancing)*	95 630	
Sales income	*(787 295 – 662 876)*		124 419
Correction of error: effect of correction of error on revenue and interest income measurement: discount rate 17% instead of 7%			
Tax expense	*(95 630 x 30%)*	28 689	
Deferred tax			28 689
Tax effect of the above entry			
31 December 20X5			
Interest income		50 227	
Debtors			50 227
Correction of error: effect on 20X5 due to revenue measured using incorrect discount rate: 17% instead of 7%			
Interest income decreased (96 767 – 46 540) (see working 1)			
Deferred tax		15 068	
Tax expense			15 068
Correction of error: effect on current year due to revenue measured using incorrect discount rate: 17% instead of 7%			
Decrease in tax due to decrease in income (50 227 x 30%)			

Solution 9.5 continued …

e)

CHARTWELL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 20X6

6. Correction of error

Revenue was measured using the incorrect discount rate.

Net effect on statement of comprehensive income items	*Comments/ calculations*	**20X5 C**
Increase/ (decrease) in expenses or losses		
- Tax	*Per journals*	(15 068)
(Increase)/ decrease in income or profits		
- Revenue from interest	*Per journals*	50 227
- Profit for the year	*Balancing*	35 159

Net effect on statement of financial position items

		20X5 C	**20X4 C**
Increase/ (decrease) in assets			
Debtors	*Per journals: 95 630 – 50 227*	45 403	95 630
(Increase)/ decrease in liabilities			
Deferred tax liability	*Per journals: 28 689 – 15 068*	(13 621)	(28 689)
(Increase)/ decrease in equity			
Retained earnings - closing	*Per journals: 66 941 – 50 227 + 15 068*	(31 782)	(66 941)

7. Revenue

Revenue constitutes the following:		**20X6 C**	**20X5 C**
Sales	*980 000 + 200 000 – 100 000 (a)*	1 080 000	xxx
Services rendered	*900 000 + 100 000 (a)*	1 000 000	xxx
		2 080 000	
Other income			
Dividend income		400 000	xxx
Interest income	*260 000 – 33 421 (d)*	226 579	xxx
		426 579	

f)

CHARTWELL LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 20X6

			20X6 C
Revenue	*Per note*	7	2 080 000
Cost of sales and services	*Given*		(1 500 000)
Distribution expenses	*200 000 x 30%*		(60 000)
Administration expenses	*200 000 x 20%*		(40 000)
Other expenses	*200 000 x 50% + 4 000 – 2 000 (a)*		(102 000)
Finance charges	*Given*		(30 000)
Other income			426 579
Profit before tax	*Balancing*		974 579
Income tax expense	*285 000 + 600 (a) – 10 026 (d)*		(275 574)
Profit for the period	*Balancing*		699 005

Other comprehensive income	-
Total comprehensive income	699 005

Solution 9.5 continued …

g)

CHARTWELL LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 20X6

		Share capital C	Share premium C	Retained earnings C	Total C
Balance: 1 January 20X5		200 000	78 000	78 741	356 741
- as previously reported	(331 800 – 320 000)			11 800	
- correction of error (note 6)	(Journals)			66 941	
Total comprehensive income: 20X5 – restated	(320 000-50 227 + 15 068)			284 841	284 841
Balance: 1 January 20X6		200 000	78 000	363 582	641 582
- as previously reported	(Given)			331 800	
- correction of error (note 6)				31 782	
Total comprehensive income: 20X6				699 005	699 005
Dividends declared				(50 000)	(50 000)
Balance: 31 December 20X6		200 000	78 000	1 012 587	1 290 587

h)

CHARTWELL LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 20X6

		20X6 C	20X5 C	20X4 C
ASSETS				
Non-current assets	(Given)			
Property, plant and equipment		864 800	*	*
Current assets				
Trade receivables	[528 000 + 95 630 (d) – 50 227 (d)– 33 421 (d)]	539 982	3 245 403	2 495 630
Cash	(Given)	120 000	*	*
		1 524 782	*	*
EQUITY AND LIABILITIES				
Share capital and reserves				
Share capital		200 000	200 000	200 000
Share premium		78 000	78 000	78 000
Retained Earnings		1 012 587	363 582	78 741
Non-current liabilities				
Deferred tax	(Given)	15 000	333 621	328 689
Current liabilities				
Trade payables	(Given)	182 000	*	*
Current tax payable	[30 000 + 600 (a) + 13 621 (d) – 10 026(d)]	34 195	52 000	40 000
Royalty payable	(5 000 – 2 000)	3 000	*	*
		1 524 782	*	*

* Insufficient information to calculate number